

LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of Administrative Workshop Meeting held March 23, 2004

A workshop meeting of the Board of Supervisors of Lower Paxton Township was called to order at 6:11 p.m. by Chairman William B. Hawk on the above date in the Lower Paxton Township Municipal Building, 425 Prince Street, Harrisburg, Pennsylvania.

Supervisors present in addition to Mr. Hawk were William C. Seeds, Sr., Gary A. Crissman, and David A. Blain.

Also in attendance were George Wolfe, Township Manager; Donna G. Speakman, Finance Director; Joe Sutor, Public Works Director; Daniel Bair, Chief of Police; William Weaver, Sewer Department Director; and Steve Stine, Township Solicitor

Pledge of Allegiance

Mr. Hawk suspended the recitation of the Pledge of Allegiance.

Public Comment

There was no public comment.

Key Indicator Report

Mr. Wolfe explained that he did not have the final figures for the Pension Fund or the Township Authority (Authority) and those would not be available until the audit process is completed. He noted that he expects to have those figures for the Administrative Workshop to be held the end of April.

Mr. Wolfe noted that the year-end balance for the General Fund had a deficit of \$22,801. He explained that the revenues for the year 2003 were \$12,882,390, with expenditures being \$12,905,191 for the same time period.

Ms. Speakman addressed the issue of budgeting with prior year's cash in a memo dated March 12, 2004 to the Board of Supervisors. Ms. Speakman explained that members of the

Board were surprised to find a deficit for the year 2003, when in fact, the budget was budgeted to have a deficit. She explained that the use of prior year's cash to balance the budget would create a deficit automatically because the Township never received new revenue for that amount. She noted that a deficit is built into the budget. She noted that in year 2004, the deficit number would be extremely high, as much as \$3,549,000. She noted that that deficit would exist even if the Township stays on track with the budget. Mr. Wolfe explained that if the \$3.5 million from the prior year's savings is spent, it would result in the General Fund's surplus to change from approximately \$10 million to \$6.5 million.

Mr. Blain questioned if the 2003 year's fund of \$12,882,390 for revenues included the prior year's cash. Ms. Speakman noted that the prior year's cash is not included in the year-end numbers. She noted that she only shows new revenues in the financial statement. Mr. Wolfe noted that although \$200,000 was budgeted from prior year's cash, there was only a deficit of \$22,801, which was very good.

Ms. Speakman added that the Township came in under budget for the Earned Income Tax by \$603,962 and still showed a \$22,000 deficit for the year. She noted that the Township did remarkably well for the year.

Mr. Blain requested Ms. Speakman to meet with Mr. Doyle to get an explanation as to why the Earned Income Tax was so low. Ms. Speakman noted that she had discussed this with him, as had the Board of Supervisors, and suggested that the Capital Tax Collection Bureau (CTCB) used inaccurate mathematical formulas for the first year. She noted that the Township had to give money back to the CTCB because the figures were flawed. She explained that CTCB does not identify where the taxpayers live and how much each person should contribute to the Township. She explained that this is how the tax distribution was based with the previous collector. She noted that every dollar was allocated to the proper township as it was received.

She explained that CTCB does a detailed review for the year after the funds have been distributed.

Mr. Blain questioned if Ms. Speakman was comfortable with the \$4.9 million figure that was received from CTCB since Mr. Harbeson quoted a higher figure at the Supervisor's last budget meeting. Ms. Speakman noted that CTCB provided the negative numbers based on their mathematical calculations. Ms. Speakman noted that the figures show net the commission, and CTCB figures were just based on collections, and do not included the commission. Mr. Wolfe noted that including the commission, the Township would have been close to the projected figures provided by Mr. Harbeson. Ms. Speakman noted that CTCB never discusses the commission when they make their presentations to the Board of Supervisors. Ms. Speakman noted that the reconciliation reports show the amount of net, and the commission. Ms. Speakman noted that the auditors requested more information from CTCB.

Mr. Blain noted that he is not happy with the way CTCB operates. Ms. Speakman noted that the Township is not given the information as to how Mr. Harbeson calculates the distribution funds. Mr. Hawk questioned Mr. Blain if he felt there was a problem with the CTCB operations. Mr. Blain noted that he thinks there are problems. Mr. Crissman agreed. Mr. Crissman noted that the Board members felt the Earned Income Tax collections would be better after the merger, but it has only gotten worse. Mr. Blain noted that he does not think the Township has received good numbers for 2004. Mr. Blain noted that the Township is fortunate that they can afford to be under budget, but a smaller borough would have been devastated by a deficit of \$600,000.

Mr. Wolfe explained that during the first year of the merger, several municipalities got together to dispute the distribution figures, and the result was an early distribution from the 2003 year funds. He noted that there was a reconciliation of those funds during the next year. Mr. Blain suggested that the Township stay in close contact with Mr. Doyle. Ms. Speakman noted that Mr. Doyle does not deal with the distribution of funds; rather that is Mr. Harbeson's

responsibility. Mr. Crissman noted that Act 50 did have an effect on the distribution of funds, but the Central Dauphin School District has been in Act 50 long enough for Mr. Harbeson to be able to build this into his mathematical formulas. Mr. Blain noted that he was not sure the Township was receiving all of the funds due to it. Mr. Crissman stated that there was a more accurate accounting of funds under the old system. Ms. Speakman agreed.

Mr. Wolfe requested the Board to move ahead on the agenda since Mr. Harrison Bink had arrived.

Bink Architectural Partnership for the FCC

Mr. Wolfe noted that Mr. Bink was present to discuss the Senior Citizen Annex to the Friendship Community Center. He noted that the Township is in the position to start this project at any time.

Mr. Crissman explained that he and Mr. Seeds have had discussions with Mr. Bink to request a donation of his services to design the new annex for the Senior Citizen Center. He explained that Mr. Bink has graciously agreed to donate his services to this worthy project. Mr. Crissman wanted to thank Mr. Bink publicly for his generous and kind support to the Township.

Mr. Bink explained that each year, Bink Associates donates their services to community projects. He explained that this is not a give-back to the Township, but rather something he does every year as a mission of the organization to donate between \$100,000 and \$200,000 of free services. He explained that the Senior Citizen Annex fits the mission requirements perfectly.

Mr. Hawk thanked Mr. Bink for his generous donation on behalf of the senior citizens who use the facility on a daily basis.

Mr. Wolfe questioned if Mr. Bink would need a written agreement signed by the Township for liability purposes. Mr. Bink answered that he would prefer to sign an agreement.

Mr. Wolfe questioned how the engineering services for the project would be provided. Mr. Bink answered that he does not have engineers in-house and preferred to work on a consulting basis. He noted that he could offer suggestions for consulting engineers for the project. He noted that the architectural services encompass between 60% to 66% of the work. Mr. Wolfe questioned if the Township would retain the consulting engineer or if they would report to Mr. Bink. Mr. Bink answered that he would prefer to retain the engineering firm. He noted that it gives his firm more leverage in dealing with the engineer. He noted that the Township could pay him, and he would pay the engineers.

Mr. Crissman questioned if Mr. Bink could provide some suggestions of names of engineering firms. Mr. Bink answered that he could not speak for engineering firms' availability to donate their services, but he would suggest Dan Welter at Barton Associates. He noted that the Township could use Jeff Staub for the civil engineering aspects. Mr. Bink explained that Mr. Staub is donating his services for a project called the "New Life in Girls Club" in York. He noted that he could suggest some smaller HVAC groups, but they may not be able to donate their services for this project. He noted that Baron Associates in York is a good example of a firm he would be willing to work with. He explained that numerous firms have changed hands recently, and he does not feel comfortable working with them.

Mr. Hawk questioned if Mr. Bink would pay the subcontractors for their fees. Mr. Bink answered that the normal practice would be for them to invoice him; he in turn would invoice the Township. The Township would pay Mr. Bink, and he would pay them.

Mr. Wolfe questioned what the next step would be. Mr. Bink questioned if there would be a multi-prime requirement from the State. Mr. Stine noted that the Township Authority would have to comply with the regulations. Mr. Stine noted that there is a problem with the non-profit government entanglements when the non-profit organization receives funds from the government. He explained that they must abide by the same laws as the government.

Mr. Bink suggested that the next step would be to sign a contract with the Township. He noted that he could use the same format that the Township used for the new municipal building. Mr. Stine noted that the contract used for the new municipal building was fine.

Mr. Crissman requested a list of possible donors from Mr. Bink in order to start to make contacts with these groups. Mr. Bink questioned if he should warn the firms of the request to be made by the Township. Mr. Crissman answered that he would appreciate the assistance.

Mr. Bink explained that, for a similar project, he did the design, using a Charette approach. He noted that it was a successful project. Mr. Wolfe noted that that Township, FCC Operating Board, and the Senior Citizens Operating Board do not always see eye-to-eye regarding the facility. Mr. Wolfe had a major concern regarding the senior citizens designing a building out of the scope of the proposed budget, and demanding more time from Mr. Bink than would be necessary. Mr. Crissman suggested that a representative from the Senior Citizens Operating Board could be asked to assist in this project. He suggested that the seniors could funnel information through Delores to the Senior Citizens Operating Board and everything would be funneled through the Chairman. Mr. Hawk noted that he would be happy to assist Mr. Crissman in setting up the project. Mr. Bink noted that he would be very happy to work with Mr. George, as he is working with him on a current church project.

Mr. Bink noted that he has a certain methodology in working with large groups that seems to work well. This is especially true of religious groups.

Mr. Seeds questioned if Mr. Bink was aware that Ballard is conducting an audit of the current FCC operations. Mr. Seeds noted that the FCC will need to add on in the future, and this should be considered as the Senior Citizen Annex is planned. Mr. Crissman noted that any recommendation that Ballard would make would not be in the area of the Senior Citizen Annex. Mr. Bink questioned what type of budget was allocated to this project. Mr. Crissman answered

that \$300,000 would be budgeted for this project. The members of the Board thanked Mr. Bink for his kind donation and assistance in making this project happen.

Key Indicator Report (continued)

Mr. Wolfe noted the following General Fund highlights for the year 2003. He reported that revenues were greater than expected in areas of land development. On the other hand, expenditures were higher as the result of the blizzard of 2003. In addition, the Health Department's budget took a huge hit, as a result of the very wet summer in regards to the land fill. He explained that the methane gas collection system was over budget as well. Mr. Wolfe noted that all departments, with the exception of the Health Department, were within 104% of their proposed budgets.

Mr. Wolfe noted that the Township spent the State Aid Award and completed the Ricker Red Top Road Project.

Mr. Wolfe explained that there was a small deficit remaining in the Fire Equipment Capital Fund (FECF) of \$38,218. Mr. Wolfe requested Public Safety Director Bair to explain the recent request made by the three fire companies. Director Bair noted that the three fire companies are due their next round of equipment purchases sometime in 2005 or 2006. As a result, the fire chiefs want to prioritize what equipment should be traded, and what should be purchased. He explained that the FECF has provided for the purchase of six pieces of equipment. He noted that the fire chiefs have indicated that some of the equipment purchased may not experience the life expectancy of 18 years that was originally thought. He explained that the three fire chiefs are reviewing what pieces of equipment should be replaced first. He noted that a preliminary ISO Survey has been implemented to study the fire services as well as the water supply. He noted that the ISO Survey would help to determine if the fire companies have the proper equipment for the Township's needs.

Mr. Wolfe explained that Director Bair has prepared amendments to the agreement with South Central Emergency Medical Services (SCEMS). Director Bair explained that he would secure the signature of Mr. Calhoun within the next few days. Mr. Wolfe noted that this is a result of a discussion held during a workshop session of the Board of Supervisors to limit the amount of funding given to SCEMS.

Mr. Wolfe noted that the General Improvement Fund included an income of \$700,000 from Dauphin County for the Village of Linglestown Project. He explained that these funds must be used by October 2005.

Mr. Wolfe reported that there were unforeseen problems with the Page Road Project. Mr. Sutor explained that there were initial problems with the Dauphin County Planning Commission involving E & S Control. He noted that the Dauphin County Planning Commission is forcing new requirements for storm water management for this plan. He noted that the developer was able to make changes to the plan to meet the soil conservation requirements. In the meantime, the developer had completed wetland delineation in this area. He explained that questions arose as to whether the wetland delineations were accurate. He noted that the Department of Environmental Protection (DEP) agreed to review the wetland delineation and they re-delineated the wetlands. He explained that, previously, this area was in two areas of the extension of Page Road, but, now, DEP has redefined the wetlands to extend across the Page Road Extension. Mr. Sutor explained that Mr. Hatter has been through a lot with this project and is very frustrated with this plan. He noted that Mr. Hatter's engineer is attempting to determine if the plan is viable. Mr. Wolfe noted that the Township has extended a considerable amount of money in design services to design this extension, and hoped that this project would not fall apart due to DEPs changes. Mr. Sutor noted that the Township has purchased right-of-ways along Union Deposit Road.

Mr. Seeds questioned if the Township could still complete the project. Mr. Sutor answered "yes," but that there would be significant costs to mitigate the wetland. Mr. Wolfe

explained that Mr. Hatter was responsible for the roadway construction up to final grade, with the Township completing the stone and drainage system. Mr. Wolfe noted that he would keep the Board of Supervisors posted regarding this project.

Mr. Wolfe noted that the Friendship Community Center (FCC) ended the year with a positive fund balance of \$80,000, which was deposited into the FCC Capital Fund. He noted that an Operations Audit is on-going, and the development of a Senior Center Annex is planned.

Mr. Seeds questioned if \$4.4 million for the new building was from the \$6 million bond. Mr. Wolfe explained that that was minus the sale of the old municipal building. Mr. Seeds questioned if the remaining \$3 million was for the development of George Park. Ms. Speakman noted that some of the funds were used for Page Road. She noted that the Road Improvement account was included in that fund as well. Mr. Seeds questioned how much has been spent on the Page Road Project. Mr. Seeds questioned Mr. Wolfe if he projects an end of the year surplus for 2004 to be \$6.5 million. Mr. Wolfe explained that the \$6 million bond would have been expended on the three projects. Ms. Speakman noted that this would change the Township's financial picture, leaving the Township with a much smaller reserve. She noted that the bond rating would be affected by the lower surplus reserve.

2004 Goals and Objectives

Mr. Wolfe explained that the Board of Supervisors requested staff to prepare Township Goals and Objectives for 2004 on a Department-wide basis. He explained that each goal would identify its budget allocation and contain an implementation schedule which would result in a rather lengthy document when completed. Mr. Wolfe noted that he expects to continue the discussion of the preparation of the goals and objectives at the next administrative workshop meeting in April. In addition, the document would be reviewed at alternating administrative workshop meetings to review the process and verify that the Township is meeting the proposed

schedule. Mr. Wolfe noted that throughout the course of the year, the direction may change, and this could result in a change of the goals and objectives as well.

Mr. Wolfe noted that he prepared a table of contents, which lists and numbers the goals and objectives by department.

Mr. Wolfe noted that the first goal for the administration was to complete the move process. This would not be completed until the Public Works Department paves the parking lot. He noted that the dedication ceremony was tentatively scheduled for April 20, 2004.

Mr. Wolfe explained that the administration plans to expand the Township's GIS capabilities, review the administrative employee compensation program, and monitor revenues and expenditures, noting a \$3.5 million deficit using prior year's revenues for projects. He noted that the implementation of the Village of Linglestown Project is planned for this year.

Mr. Wolfe noted that he would like to develop a Mission Statement for the Township. He explained that the goals and objectives would be tied to the overall mission. He explained that the Police, and Parks and Recreation Departments and FCC have their own Mission Statements.

Mr. Wolfe noted that the Finance Department plans to complete the GASB process. He explained that, as a result of this meeting, he has added a goal of a better understanding of the Earned Income Tax process.

Mr. Wolfe noted that in addition to the Senior Citizen Annex and the operations audit, the FCCs goals include establishing a marketing plan and a Capital Improvement Plan.

Mr. Weaver explained that the Sewer Department's first few goals are mandated by the second consent degree; to implement the Beaver Creek Hydraulic Overload Corrective Action Plan; implement the Paxton Creek mini-basin program; and to continue the metering programs for Beaver Creek and Paxton Creek. Mr. Weaver noted the additional goals of developing a cost effective tele-metering program; reduce past due District 1 and 2 sewer assessments, and to implement a Grease Trap Inspection Program.

Director Bair explained that the Police Department would implement the Vision 2003 as it applies to 2004; to transfer two officers to the Traffic Safety Unit, and promote a corporal. He noted that he plans to implement of the Intensified Neighborhood Selective Traffic Enforcement Program (INSTEP); complete the state accreditation process; and initiate the Community Service Officer (CSO) Program. Mr. Seeds questioned when Director Bair hoped to start the CSO Program. Director Bair noted that he has received approximately 21 applications as a result of the ad in the newspaper. He noted that it is his wish to start the training process by mid April. Mr. Seeds questioned if the current park rangers would be retained. Director Bair explained that they would have to apply and meet the qualification for the CSO Program. Director Bair noted that he would contact Mr. Luetchford and remind him that last year's park rangers would need to submit an application.

Chief Bair explained that an additional goal for his department is to continue the Juvenile Alternative Sentencing Program (JASP) the Township agreed to fund due to the depletion of federal funding. He distributed a booklet to the Board Members describing the new JASP. He explained that the juvenile officer has revised and expanded the Program to put a greater emphasis on departmental probation. He noted that juvenile offenders would have an opportunity to be placed on departmental probation, and this would serve as a model program for Dauphin County.

Mr. Wolfe explained that the listed goals and objectives for the Public Works Department was incomplete at this time. He noted that the Page Road Project and the Nyes Road/Locust Lane Project are not included.

Mr. Wolfe explained that the Leaf Waste Program is listed under the Public Works Department's goal since it has been included in their Department's budget, but it would become an inter-departmental goal to include the Finance Department. Ms. Speakman noted that 1,142 residents have signed on for this program, resulting in revenues of \$68,520. Mr. Wolfe explained

that the program starts the week of April 5th, with 25% of the necessary households needed to break even for this program.

Mr. Sutor explained that the wrong truck was delivered to PA Public Works Equipment last week. He explained that they ordered the wrong chassis and a 20,000 cubic yard truck was delivered instead of the 25,000 cubic yard truck that was bided. Mr. Sutor explained that the reason the Township ordered the larger truck was to decrease the amount of trips to the landfill. Mr. Sutor noted that he, Mr. Wolfe and Steve Koup are working to resolve the problem. He explained that the 25,000-cubic-yard truck could not be delivered until July, and he could use dump trucks in the interim. He noted that PA Public Works Equipment is also trying to secure the use of a demo truck for the interim period.

Mr. Blain questioned Mr. Wolfe if he was concerned that only 1,142 residents have signed up for the program. Mr. Wolfe answered that once the weather improves and residents start to work outside, more would sign up for the service, but he stated that he did not know if the program would hit the 4,000 mark to break even. He explained that it may take a year to hit the 4,000 mark. Mr. Sutor suggested that some residents may try to find a way to circumvent the system.

Mr. Blain questioned if the program could run with a smaller truck. Mr. Sutor answered that it would increase the number of trips to the landfill. Mr. Wolfe noted that the quality of roads in the Township do not prohibit the use of a larger truck. He explained that the Leaf Waste Program is designed to work with a three-man crew and that the more time the work crew spends picking up waste and not traveling to the landfill would create a more productive program. Mr. Seeds questioned why there is a three-man crew. Mr. Sutor noted that the crew would consist of a driver and a two-laborer crew. Mr. Sutor explained that the Township's program was based on Waste Management's Program.

Mr. Crissman questioned what assurance there would be that a unit would be operable by the start deadline. Mr. Sutor noted that there are no assurances that PA Public Works Equipment would be prepared to have a truck ready by April 5th. He explained that the smaller truck would be ready for April 5th, and the cost reduction for the smaller unit would only amount to \$5,000. Mr. Sutor explained that the Township would prefer the larger truck. Mr. Crissman questioned what leverage the Township had to demand service from PA Public Works Equipment. Mr. Sutor answered that they are attempting to find a demo truck, and Mr. Stine is reviewing the contact as well. Mr. Stine explained that there is a \$25-per-day fee for liquidation damages until delivery. Mr. Stine noted that the Township could wait for the larger vehicle, and pay less the liquidation damages, or use the demo truck in lieu of that, or any combination of both. Mr. Hawk noted that \$25-per-day is not much money. Mr. Crissman noted that the Township does not have much recourse. Mr. Seeds questioned if the three persons hired would work the Leaf Waste Program as well as other jobs. Mr. Sutor answered that from April until December, to include the January Christmas tree pick-up, the crew would be assigned to the Leaf Waste Program. Mr. Wolfe noted that, at this time, the Township only plans to send the truck out two weeks per month until the numbers increase.

Mr. Crissman questioned if PA Public Works Equipment realized that they made a mistake. Mr. Sutor answered that they did. Mr. Crissman questioned if they are amenable to provide a loaner in the meantime. Mr. Sutor answered that they have been making contacts to secure a demo unit for the Township's use from April to July. He explained that they are having difficulty with this since, typically, a demo unit is only available for a two-week period. Mr. Sutor noted that they offered to make concessions on the price. Mr. Crissman noted that that is not acceptable.

Mr. Crissman questioned what the worse case scenario would be. Mr. Sutor answered that there would be no truck available. Mr. Sutor noted that he would have to send two Public

Works Crews assisting the new staff using the Township's one-ton dump trucks. Mr. Wolfe suggested that PA Public Works Equipment could provide a used truck or the Township could purchase the smaller unit for \$5,000 less. Mr. Sutor noted that PA Public Works Equipment has asked if the Township would accept the 20-cubic-yard truck. Mr. Seeds questioned what the cost was for the unit. Mr. Sutor answered that the cost for the truck and chassis was \$128,000; the body was approximately \$45,000. Mr. Seeds noted that he would not accept a smaller unit for \$5,000 less. Mr. Blain noted that the good news was that there were only 1,400 people signed up for the service at this time.

Mr. Crissman questioned the reputation of the PA Public Works Equipment. Mr. Sutor noted that they have a good reputation. Mr. Crissman suggested that this would tarnish their reputation. Mr. Sutor noted that he explained that to the company. Mr. Wolfe noted that he would keep the Board posted on this matter.

Mr. Wolfe noted the development of formal training for Public Works personnel is an additional goal for Mr. Sutor's department.

Mr. Wolfe noted that the development of George Park, Phase I, the CD East Junior High Football Field improvements, and park improvements at Paxtonia fields and George Park are included in the goals for this year.

Mr. Wolfe noted that the two proposed goals for the Community Development Department are to come into compliance with Act 45, which establishes the PA Uniform Construction Code with an inception date in April, allowing 90 days to begin the compliance effort. The last goal is to implement the new Comprehensive Plan.

Mr. Wolfe explained that the layout for each goal sheet would be to state the goal, to include the budget authorization, and to list the objective, such as funding source. He noted a second timeline sheet would be created for each goal.

Mr. Wolfe explained that the lists of goals are in no way a complete listing, but a start to the process. He explained that a continuation of this discussion would occur at the next administrative meeting. He noted that he would complete the Key Indicator Report discussion at that time, and that Ms. Speakman would provide information regarding the appraisal of Township property.

Adjournment

There being no further business, Mr. Blain made a motion to adjourn the meeting, and the meeting adjourned at 7:30 p.m.

Respectfully submitted,

Maureen Heberle

Approved by,

Gary A. Crissman
Township Secretary